

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF NORTH CAROLINA
RALEIGH DIVISION

FILED

OCT 02 2003

PEGGY B. DEANS, CLERK
U.S. BANKRUPTCY COURT
EASTERN DISTRICT OF N.C.

IN RE:)
)
INTERNATIONAL HERITAGE, INC.)
)
)
Debtor.)

CASE NO. 98-02675-5-ATS
CHAPTER 7

**FIFTH APPLICATION BY CHAPTER 7 TRUSTEE
FOR INTERIM ALLOWANCE OF COMMISSION AND
REIMBURSEMENT OF EXPENSES**

NOW COMES, Holmes P. Harden ("Applicant") and files this Fifth Interim application for Compensation and Reimbursement of Expenses to Chapter 7 Trustee and, in support thereof, shows the following:

1. This Court has jurisdiction of this application pursuant to 28 U.S.C. §§ 157 and 1334 and 11 U.S.C. §§ 327 and 329.
2. On November 25, 1998 a petition for relief under Chapter 7 of the Bankruptcy Code was filed by International Heritage, Inc. (the "Debtor"). On November 25, 1998 this Court entered an Order appointing Holmes P. Harden as Trustee of the Debtor ("Trustee").
3. Applicant has complied with all provisions of the Bankruptcy Code, the Bankruptcy Rules, and other laws, regulations and administrative orders dealing with the duties of a trustee, has discharged his duties in a prompt and efficient manner and has otherwise complied with all other duties of a Chapter 7 trustee as set forth in the Bankruptcy Code.
4. The Court entered an order allowing trustee's first interim commission in the amount of \$5,919.07 and reimbursement of expenses in the amount of \$11,628.39 for services rendered from November 30, 1998 through August 31, 1999 on November 1, 1999. The court
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also entered an order on October 28, 2000 allowing interim commission in the amount of \$32,719.94 and reimbursement of expenses in the amount of \$1,291.21 for services rendered from September 1, 1999 through August 31, 2000. The court also entered an order allowing interim commission in the amount of \$9,820.24 and reimbursement of expenses in the amount of \$1,719.80 for services rendered from September 12, 2000 through August 28, 2001. The court also entered an order allowing interim commission in the amount of \$4,946.14 and reimbursement of expenses in the amount of \$608.43 for services rendered from September 1, 2001 through September 30, 2002.

5. Applicant has collected \$123,542.62 since the fourth interim application was filed with the court.

6. Applicant has disbursed \$65,082.23 to parties in interest in the case since the fourth interim application was filed with the court. Disbursements are itemized on Exhibit A attached hereto.

7. Applicant and his staff have spent over 150 hours in the performance of his duties as trustee from October 1, 2002 through September 29, 2003. Applicant's law firm has expended \$648.07 in payment of expenses of trustee from September 13, 2002 through September 29, 2003. An accounting of time and expenses is attached hereto as Exhibit B.

8. Applicant now prays that he be allowed the sum of \$1,952.47 as interim trustee's fees, together with reimbursement of expenses in the amount of \$648.07, which Applicant deems as reasonable for services rendered herein. This calculation is based on the parameters set forth in 11 U.S.C. Section 326 and the compensation scale established by the Local Rules for the Eastern District of North Carolina.

9. Applicant believes that this sum is fair and reasonable in this case and should be allowed.

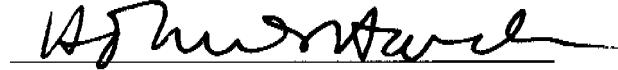
10. Applicant certifies that no agreements have been made directly or indirectly and that no understanding exists for division of fees between the Applicant and other parties, except other partners of his law firm.

11. This is the fifth Application for compensation and reimbursement of expenses made by the Applicant in this case.

WHEREFORE, Applicant prays that he be allowed and paid the above compensation of \$1,952.47 and reimbursement of expenses in the amount of \$648.07 and that the court grant such other and further relief to which it deems him justly entitled.

This the 1st day of October, 2003.

HOLMES P. HARDEN, CHAPTER 7 TRUSTEE
FOR INTERNATIONAL HERITAGE, INC.


Holmes P. Harden
N.C. State Bar No. 9835
3200 Beechleaf Court, Suite 500
Post Office Drawer 19764
Raleigh, North Carolina 27619-9764
Telephone: (919) 981-40000

(JJD)

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(RPH) [REDACTED] 0.50

(RPH) [REDACTED]

10/02/03 [REDACTED]

(RPH) [REDACTED]

(RPH) [REDACTED]

-- COST ENTRIES-----

14-102/03 INDEX 14-104	DATE	STAT	AMOUNT	DESCRIPTION	CODE	TKPER	VOUCHER
142194	10/03/02	B	34.03	* POSTAGE	8030	FIRM	
144146	10/03/02	B	5.00	* FACSIMILE TRANSMISSION, LONG DISTANCE	8052	FIRM	
142034	10/04/02	B	1.00	* FACSIMILE TRANSMISSION	8050	FIRM	
143080	10/08/02	B	3.549	* POSTAGE	8030	FIRM	
144154	10/08/02	B	12.50	* FACSIMILE TRANSMISSION, LONG DISTANCE	8052	FIRM	
1384386	10/16/02	B	0.50	* FACSIMILE TRANSMISSION	8050	FIRM	
1385839	10/3/02	B	9.00	* POSTAGE	8030	FIRM	
149706	10/3/02	B	0.84	* LONG DISTANCE TELEPHONE CALL	8040	FIRM	
142197	11/07/02	B	0.84	* LONG DISTANCE TELEPHONE CALL	8040	FIRM	
142198	11/13/02	B	0.24	* LONG DISTANCE TELEPHONE CALL	8040	FIRM	
146909	12/29/02	B	0.75	* FACSIMILE TRANSMISSION	8050	FIRM	
143506	01/03/03	B	0.24	* LONG DISTANCE TELEPHONE CALL	8040	FIRM	
1403507	01/03/03	B	0.24	* LONG DISTANCE TELEPHONE CALL	8040	FIRM	
1433508	01/03/03	B	0.36	* LONG DISTANCE TELEPHONE CALL	8040	FIRM	
1469309	01/08/03	B	19.50	* FACSIMILE TRANSMISSION	8051	FIRM	
148213	02/03/03	B	0.12	* LONG DISTANCE TELEPHONE CALL	8040	FIRM	
147715	02/26/03	B	11.48	* POSTAGE	8030	FIRM	
147200	02/26/03	B	34.00	* M&E PHOTOCOPY CENTER	8070	FIRM	
147532	02/26/03	B	2.50	* FACSIMILE TRANSMISSION, LONG DISTANCE	8052	FIRM	
143681	04/02/03	B	0.24	* LONG DISTANCE TELEPHONE CALL	8040	FIRM	
149577	04/23/03	B	1.00	PARKING - JENNY D. JOHNSON	860	FIRM	138181
146716	05/15/03	B	0.24	* LONG DISTANCE TELEPHONE CALL	844	FIRM	138181
				OFFICE, CLEANING	8040	FIRM	138836
Case 98-0261-DMW Doc 14-5							
147098	05/15/03	B	2.00	PARKING - JENNY D. JOHNSON			
1437455	05/25/03	B	475.00	* M&E PHOTOCOPY CENTER			
1431994	06/03/03	B	0.24	* LONG DISTANCE TELEPHONE CALL			
1433016	06/23/03	B	0.24	* LONG DISTANCE TELEPHONE CALL			

1433017

063003 B

0.48 * LONG DISTANCE TELEPHONE CALL

8040

FIRM

BALANCE DUE FROM PREVIOUS STATEMENT 0.00
 LESS PAYMENT(S) 0.00
 BALANCE FORWARD 0.00

TIME VALUE FOR THE MATTER AFTER THE CUTOFF DATE 0.00
 COST VALUE FOR THE MATTER AFTER THE CUTOFF DATE 0.00

21

TIME AND FEE SUMMARY * * * * *

TIMEKEEPER * RATE HOURS % FEES %

POST TOTAL 648.07

COST CODE SUMMARY * * * * *

Ledger Code	Ledger Description	Debit	Credit	Credit Applied To
8020	LOCAL MESSENGER SERVICE	0.00		
8030	POSTAGE	90.00		
8040	LONG DISTANCE TELEPHONE CALL	4.32		
8050	FACSIMILE TRANSMISSION	2.25		
8051	FACSIMILE TRANSMISSION	19.50		
8052	FACSIMILE TRANSMISSION, LONG DISTANCE	20.00		
8070	MT PHOTOCOPY CENTER	509.00		
844	PARKING	3.00		
851	BUSINESS MEALS	0.00		
860	MILES @ \$.36 EACH	0.00		
	POST TOTAL	648.07		

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FEES

FEES

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Case No.: 98-02675-5-ATS
 Case Name: INTERNATIONAL HERITAGE INC.

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 Taxpayer ID No: 87-0421191
 For Period Ending: 09/29/03

98-02675-5-ATS
 INTERNATIONAL HERITAGE INC.

Case No.: 98-02675-5-ATS
 Case Name: INTERNATIONAL HERITAGE INC.

Trustee Name:
 Bank Name:
 Account Number:

HOLMES P. HARDEN, TRUSTEE
 NATIONSBANK, N.A.
 3753846518 Money Market - Interest Bearing

Blanket Bond (per case limit):
 Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Disbursements (\$)	Account Balance (\$)
09/30/02	11	NATIONSBANK, N.A.	BALANCE FORWARD			62,459.66
10/15/02			Interest Rate 1.200 reverse 10/15/02 adjustment	61.61	61.61	62,521.27
10/15/02			Reverses Adjustment IN on 10/15/02 Redeposit to correct error	3,000.00	3,000.00	65,521.27
10/15/02			Reverses Adjustment IN on 07/25/01 Reversal error in deposits	-3,000.00	-3,000.00	62,521.27
10/31/02	11	NATIONSBANK, N.A.	This deposit should correct the reversed deposits and adjustments made on 4/7/99 in regards to R. V. Delarios. Check #1008 was written to refund his deposit and the reversal should never have been entered.	3,000.00	3,000.00	65,521.27
11/29/02	11	NATIONSBANK, N.A.	Deposits 27 & 28 reversed in error	-3,000.00	-3,000.00	62,521.27
12/31/02	11	NATIONSBANK, N.A.	Interest Rate 1.200	63.72	63.72	62,584.99
01/31/03	11	NATIONSBANK, N.A.	Interest Rate 0.850	50.92	50.92	62,635.91
02/28/03	11	NATIONSBANK, N.A.	Interest Rate 0.850	45.23	45.23	62,681.14
03/31/03	11	NATIONSBANK, N.A.	Interest Rate 0.850	45.25	45.25	62,726.39
04/11/03	001025	Recall	Interest Rate 0.850	40.90	40.90	62,767.29
04/11/03	001026	BellSouth	Interest Rate 0.500	28.46	28.46	62,795.75
			STORAGE UNIT RENTAL Invoice 4616361-IN	299.38	299.38	62,496.37
			Telephone Service 790-0128 \$104.40	176.08	176.08	62,320.29
			Telephone Service 876-2161 \$71.68	94.15	94.15	62,226.14
			Telephone Service 056 390-8195 001 \$15.97			
			020 713 6257 001 \$78.18			
04/17/03	11	Transfer to Acct #3753846835 NATIONSBANK, N.A.	Bank Funds Transfer	1,519.80	1,519.80	60,706.34
04/30/03	11	NATIONSBANK, N.A.	Interest Rate 0.500	25.40	25.40	60,731.74
05/30/03	11	NATIONSBANK, N.A.	Interest Rate 0.500	25.79	25.79	60,757.53
06/30/03	11	NATIONSBANK, N.A.	Interest Rate 0.500	24.97	24.97	60,782.50

Page Subtotals

412.25

2,089.41

Case No: 98-02675-5-ATS
 Case Name: INTERNATIONAL HERITAGE INC.
 Taxpayer ID No: 87-0421191
 For Period Ending: 09/29/03

FORM 2
ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Page: 2

Trustee Name: HOLMES P. HARDEN, TRUSTEE
 Bank Name: NATIONSBANK, N.A.
 Account Number: 3753846518 Money Market - Interest Bearing
 Blanket Bond (per case limit):
 Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Disbursements (\$)	Account Balance (\$)
07/31/03	11	NATIONSBANK, N.A.	Interest Rate 0.200	10.32	10.32	60,792.82
08/29/03	11	NATIONSBANK, N.A.	Interest Rate 0.200	10.32	10.32	60,803.14

COLUMN TOTALS		432.89	2,089.41	60,803.14
Less:	Bank Transfers	3,000.00	1,519.80	
Subtotal		-2,567.11	569.61	
Less:	Payments to Debtors		0.00	
Net		-2,567.11	569.61	

Case No: 98-02675-5-ATS
 Case Name: INTERNATIONAL HERITAGE INC.
 Taxpayer ID No: 87-0421191
 For Period Ending: 09/29/03

FORM 2
ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

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Trustee Name: HOLMES P. HARDEN, TRUSTEE
 Bank Name: NATIONSBANK, N.A.
 Account Number: 3753846521 Checking - Non Interest

Blanket Bond (per case limit):
 Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Disbursements (\$)	Account Balance (\$)
			BALANCE FORWARD			
			COLUMN TOTALS	0.00	0.00	0.00
			Less: Bank Transfers	0.00	0.00	0.00
			Subtotal	0.00	0.00	0.00
			Less: Payments to Debtors	0.00	0.00	0.00
			Net	0.00	0.00	0.00

Page Subtotals

0.00

0.00

Case No: 98-02675-5-ATS
 Case Name: INTERNATIONAL HERITAGE INC.

Taxpayer ID No: 87-0421191
 For Period Ending: 09/29/03

FORM 2
ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

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Trustee Name:	HOLMES P. HARDEN, TRUSTEE
Bank Name:	NATIONSBANK, N.A.
Account Number:	3753846534 Money Market - Interest Bearing
Blanket Bond (per case limit):	
Separate Bond (if applicable):	\$ 6,000,000.00

1	2	3	4	5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Disbursements (\$)	Account Balance (\$)
09/30/02	11	NATIONSBANK, N.A.	BALANCE FORWARD			20,707.63
10/31/02	11	NATIONSBANK, N.A.	Interest Rate 1.200	20.42		20,728.05
11/29/02	11	NATIONSBANK, N.A.	Interest Rate 1.200	21.13		20,749.18
12/31/02	11	NATIONSBANK, N.A.	Interest Rate 0.850	16.88		20,766.06
01/31/03	11	NATIONSBANK, N.A.	Interest Rate 0.850	14.99		20,781.05
02/28/03	11	NATIONSBANK, N.A.	Interest Rate 0.850	15.00		20,796.05
03/31/03	11	NATIONSBANK, N.A.	Interest Rate 0.850	13.56		20,809.61
04/30/03	11	NATIONSBANK, N.A.	Interest Rate 0.500	9.44		20,819.05
05/30/03	11	NATIONSBANK, N.A.	Interest Rate 0.500	8.56		20,827.61
06/30/03	11	NATIONSBANK, N.A.	Interest Rate 0.500	8.84		20,836.45
07/31/03	11	NATIONSBANK, N.A.	Interest Rate 0.200	8.57		20,845.02
08/29/03	11	NATIONSBANK, N.A.	Interest Rate 0.200	3.54		20,848.56
				3.53		20,852.09
COLUMN TOTALS				144.46	0.00	20,852.09
Less: Bank Transfers				0.00	0.00	
Subtotal				144.46	0.00	
Less: Payments to Debtors				0.00	0.00	
Net				144.46	0.00	

Case No.: 98-02675-ATS
 Case Name: INTERNATIONAL HERITAGE INC.
 Taxpayer ID No.: 87-0421191
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98-02675-ATS
 INTERNATIONAL HERITAGE INC.

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Trustee Name:	HOLMES P. HARDEN, TRUSTEE
Bank Name:	NATIONSBANK, N.A.
Account Number:	3753846819 Money Market - Interest Bearing
Blanket Bond (per case limit):	
Separate Bond (if applicable):	\$ 6,000,000.00

1	2	3	4	5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Disbursements (\$)	Account Balance (\$)
09/24/02	11	NATIONSBANK, N.A.	Transfer to Acct #3753846835			1,095,839.52
09/30/02		NATIONSBANK, N.A.	Bank Funds Transfer	1,080.68	767.38	1,095,072.14
10/1/02			Interest Rate 1.200			1,096,152.82
10/16/02	001010	Holmes P. Harden, Trustee	Transfer from Acct #3753846848	25,000.00		1,121,52.82
			TRANSFERRING FUNDS TO NATIONSBANK			1,096,152.82
			Check should have been written instead of transfer of funds			
			to account.			
			this is an SEC settlement check and should be tied to asset			
			#14.			
10/31/02	11	NATIONSBANK, N.A.	BALANCE FORWARD			
11/05/02	001011	RECALL	Bank Funds Transfer	1,118.00	1,097,270.82	
			Interest Rate 1.200			
			STORAGE UNIT RENTAL			
			INVOICE # 4610332-IN			
			INVOICE # 4608996-IN			
			Telephone Service			
			919 790-0128 010 0363 \$52.09			
			919 876-2161 450 0364 \$36.25			
11/11/02			Transfer to Acct #3753846835	2,849.85	1,093,798.05	
11/26/02			Transfer to Acct #3753846835	28,477.82	1,065,320.23	
11/29/02	11	NATIONSBANK, N.A.	Bank Funds Transfer			
12/13/02			Interest Rate 0.850	887.94	1,066,208.17	
12/31/02	11	NATIONSBANK, N.A.	Bank Funds Transfer			
01/09/03	001013	AT&T	Interest Rate 0.850	476.61	1,065,731.56	
01/09/03	001014	BellSouth	Telephone Service	769.51	1,066,501.07	
			020 713 6257 001			
			Telephone Service			
			020 713 6257 001			
			Telephone Service			
			919 876-2161 450 0364 \$35.87			
			99 790-0128 010 0363 \$52.22			
01/31/03	11	NATIONSBANK, N.A.	Transfer to Acct #3753846835	769.84	1,067,074.76	
02/05/03			Interest Rate 0.850			
02/21/03	001015	BellSouth	Bank Funds Transfer	363.43	1,066,711.33	
			Telephone Service			
			87602161 450 0364			

Page Subtotals

29,625.97

58,790.13

FORM 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

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Case No: 98-02675-5-ATS
 Case Name: INTERNATIONAL HERITAGE INC.
 Taxpayer ID No: 87-0421191
 For Period Ending: 09/29/03

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Trustee Name: HOLMES P. HARDEN, TRUSTEE
 Bank Name: NATIONSBANK, N.A.
 Account Number: 3753846819 Money Market - Interest Bearing
 Blanket Bond (per case limit): Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Disbursements (\$)	Account Balance (\$)
02/21/03	001016	AT&T	Telephone Service	056 390-8195 0001	25.49	1,066,649.87
02/21/03	001017	Recall	STORAGE UNIT RENTAL		299.38	1,066,350.49
02/28/03	11	NATIONSBANK, N.A.	Invoice 4614030-IN			
03/20/03	001018	BellSouth	Interest Rate 0.850	695.56	52.25	1,067,046.05
03/20/03	001019	Recall Total Information Mgmt.	Telephone Service			1,066,993.80
03/31/03	11	NATIONSBANK, N.A.	Acct. No. 919-790-0128 010 0363			
04/30/03	11	NATIONSBANK, N.A.	STORAGE UNIT RENTAL			
05/01/03	001020	RECALL TOTAL INFORMATION MGMT.	Invoice No. 4615179	483.79	299.38	1,066,694.42
05/06/03	001021	P. O. BOX 101057	Billing Cust. No. 46-91456	438.57	1,067,178.21	1,067,616.78
05/21/03	001021	AT&T	Interest Rate 0.500	4,527.62	1,063,089.16	
05/23/03	001022	BELLSOUTH	STORAGE UNIT RENTAL			
05/30/03	11	NATIONSBANK, N.A.	CLOSING OUT ACCOUNT AND MOWING RECORDS			
06/17/03	001023	BELL.SOUTH	TO US ATTORNEY'S OFFICE			
06/23/03	001024	BELLSOUTH	INVOICE #B148298-IN			
06/26/03	17	Erie Insurance Group	Bank Funds Transfer	192.40	1,062,896.76	
06/30/03	11	NATIONSBANK, N.A.	Telephone Service	120.95	1,062,775.81	
			020 713 6257 001 \$79.39			
			056 390-8195 001 \$41.56			
			Telephone Service	52.37	1,062,723.44	
			919 790-0128 010 0363			
			Interest Rate 0.500	451.61	1,063,175.05	
			Telephone Service	35.96	1,063,139.09	
			919 876-2161 450 0364			
			Telephone Service	52.43	1,063,086.66	
			919 790-0128 010 0363			
			Settlement-other	60,000.00	1,123,524.35	
			Lawsuit settlement			
			Interest Rate 0.500	437.69		

Page Subtotals

62,507.22

5,658.23

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

FORM 2

Page: 7

Trustee Name: HOLMES P. HARDEN, TRUSTEE
 Bank Name: NATIONSBANK, N.A.
 Account Number: 3753846819 Money Market - Interest Bearing

Blanket Bond (per case limit):
 Separate Bond (if applicable): \$ 6,000,000.00

1 Transaction Date	2 Check or Reference	3 Paid To / Received From	4 Description Of Transaction	5 Deposits (\$)	6 Disbursements (\$)	7 Account Balance (\$)
07/14/03	11	Transfer to Acct #3753846835 NATIONSBANK, N.A. BellSouth	Bank Funds Transfer Interest Rate 0.200 Telephone Service 919-790-0128 010 0363	190.84	41.01	1,123,483.34 1,123,674.18 1,123,621.75
08/12/03	001025	Lewis & Roberts, PLLC	Attorney's fees (other firm) Fees for outside attorneys Interest Rate 0.200 Telephone Service 919-876-2161 450 0364 (\$34.49)	190.53	15,000.00	1,108,621.75 1,108,812.28 1,108,727.43
08/20/03	001026	NATIONSBANK, N.A.	919-790-0128 010 0363 (\$50.36) Telephone Service 056 390 8195 001 (\$20.90)	30.82	1,108,696.61	
08/29/03	11	BellSouth	020 713 6257 001 (\$9.92) Telephone Service 056 390-8195 001 \$41.80 020 713 6257 001 \$43.30	85.10	1,108,611.51	
09/04/03	001028	AT&T				
09/22/03	001029	AT&T				
COLUMN TOTALS			92,514.56	79,742.57	1,108,611.51	
Less: Bank Transfers			25,000.00	33,168.50		
Subtotal			67,514.56	46,574.07		
Less: Payments to Debtors			0.00			
Net ¹			67,514.56	46,574.07		

Case No: 98-02675-5-ATS
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Blanket Bond (per case limit):
 Separate Bond (if applicable): \$ 6,000,000.00

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Trustee Name: HOLMES P. HARDEN, TRUSTEE
 Bank Name: NATIONSBANK, N.A.
 Account Number: 3753846835 Checking - Non Interest

1	2	3	4	5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Disbursements (\$)	Account Balance (\$)
09/24/02	001103	Transfer from Acct #3753846819 BellSouth	BALANCE FORWARD Bank Funds Transfer Telephone Service 876-2161 450 0364 \$93.36 919 790-0128 010 0363 \$65.96	767.38	159.31	201.58 968.96 809.65
09/24/02	001104	AT&T	Telephone Service 0207136257001 \$38.23	73.49	736.16	
09/24/02	001105	Recall-Raleigh	056390-81950001 \$35.26 STORAGE UNIT RENTAL Invoice #4607720-IN #4606242-IN	534.58	201.58	
09/30/02	11	NATIONSBANK, N.A.	Interest Rate 1.200 Interest Rate 1.200 Bank Funds Transfer Accounting fees	0.34 0.21 2,849.85	201.92 202.13 3,051.98	
10/31/02	11	NATIONSBANK, N.A.	STORAGE UNIT RENTAL INVOICE #0028566	2,772.90	279.08	
11/1/02	001106	Transfer from Acct #3753846819 ADAMS CONSULTING GROUP RECALL RALEIGH	76.95	202.13		
11/1/02	001107	MAUPIN TAYLOR & ELLIS, PA				
11/26/02	001108	Transfer from Acct #3753846819 HOLMES P. HARDEN, TRUSTEE	28,477.82	22,923.25	28,679.95 5,756.70	
11/26/02	001109			5,554.57	202.13	
11/29/02	11	NATIONSBANK, N.A.				
12/13/02	001110	Transfer from Acct #3753846819 Recall	Interest Rate 0.850 Bank Funds Transfer STORAGE UNIT RENTAL invoice # 4611491-IN	4.74 476.61	206.87 683.48 416.19	
12/13/02	001111	BellSouth	Telephone Service 919 876-2161 450 0364	88.09	328.10	
12/13/02	001112	AT&T	Telephone Service 020 713 6257 001 \$73.89	73.49	254.61	

Page Subtotals

32,576.95

32,523.92

Case No: 98-02675-5-ATS
 Case Name: INTERNATIONAL HERITAGE INC.
 Taxpayer ID No: 87-0421191
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ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Trustee Name: HOLMES P. HARDEN, TRUSTEE
 Bank Name: NATIONSBANK, N.A.
 Account Number: 3753846835 Checking - Non Interest
 Blanket Bond (per case limit):
 Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Disbursements (\$)	Account Balance (\$)
12/31/02	11	NATIONSBANK, N.A.	Interest Rate 0.850	3.25		257.86
01/31/03	11	NATIONSBANK, N.A.	Interest Rate 0.850	0.19		258.05
02/05/03	001113	Transfer from Acct #3753846819 BellSouth	Bank Funds Transfer	363.43		621.48
02/05/03	001114	AT&T	Telephone Service		52.32	569.16
02/05/03	001115	Recall Total Information Mgmt P.O. Box 101057 Atlanta, GA 30392-1057	919 790-0128 010 0363			547.93
02/28/03	11	NATIONSBANK, N.A.	Telephone Service		21.23	
03/31/03	11	NATIONSBANK, N.A.	020 713 6227 001 - \$16.47			258.05
04/17/03	001116	Transfer from Acct #3753846518 Nicholls & Crampton, P.A.	056 390-8195 001 - \$4.76			
04/30/03	11	NATIONSBANK, N.A.	STORAGE UNIT RENTAL Invoice #4612884-IN	289.88		
05/06/03	001117	Transfer from Acct #3753846819 AT&T	Interest Rate 0.850	0.19		258.24
05/06/03	001118	BELLSOUTH	Interest Rate 0.500	0.12		258.36
05/06/03			Bank Funds Transfer	1,519.80		1,778.16
05/06/03			Attorney's fees (other firm)			258.36
05/06/03			interim fees in the amount of \$1,457.50 and reimbursement			
05/06/03			of expenses in the amount of \$62.30 - order dated 4/15/03			
05/06/03			Interest Rate 0.500	0.21		258.57
05/06/03			Bank Funds Transfer	192.40		450.97
05/06/03			Telephone Service	154.93		296.04
05/06/03			056390-8195001 \$36.75			
05/06/03			0207136257001 \$118.18			
05/06/03			Telephone Service	37.47		258.57
05/06/03			919876-21614500364 \$36.95			
05/06/03			919790-01280100363 \$.52			
05/30/03	11	NATIONSBANK, N.A.	Interest Rate 0.500	0.12		258.69
06/30/03	11	NATIONSBANK, N.A.	Interest Rate 0.500	0.11		258.80
07/14/03	001119	Transfer from Acct #3753846819 AT&T	Bank Funds Transfer	41.01		299.81
07/14/03			Telephone Service	4.93		294.88
07/14/03			056 390-8195 001			

Page Subtotals

2,120.83

2,080.56

Case No: 98-02675-ATS
 Case Name: INTERNATIONAL HERITAGE INC.

Taxpayer ID No: 87-0421191
 For Period Ending: 09/29/03

FORM 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Trustee Name:

HOLMES P. HARDEN, TRUSTEE
 NATIONSBANK, N.A.

Bank Name:

3753846835 Checking - Non Interest

Account Number:

Blanket Bond (per case limit):
 Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Disbursements (\$)	Account Balance (\$)
07/14/03	001120	BELLSOUTH	Telephone Service 919 876-2161 450 0364 Interest Rate 0.200 Interest Rate 0.200	0.04 0.04	36.08 258.84 258.88	258.80
07/31/03	11	NATIONSBANK, N.A.				
08/29/03	11	NATIONSBANK, N.A.				
COLUMN TOTALS			34,697.86	34,640.56	258.88	
Less: Bank Transfers			34,688.30	0.00		
Subtotal			9.56	34,640.56		
Less: Payments to Debtors			0.00			
Net			9.56	34,640.56		

Page Subtotals

0.08

36.08

Case No:

Case Name:

98-02675-5-ATS
INTERNATIONAL HERITAGE INC.

Taxpayer ID No:

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ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Trustee Name:	HOLMES P. HARDEN, TRUSTEE
Bank Name:	NATIONSBANK, N.A.
Account Number:	3753846848 Money Market - Interest Bearing

Blanket Bond (per case limit):
Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Disbursements (\$)	Account Balance (\$)
09/30/02	11	NATIONSBANK, N.A.	BALANCE FORWARD			
10/15/02	14	U. S. Treasury	Interest Rate 1.200 Settlement with SEC	4,175.80		4,233,796.60
			Deposit made to correct adjustment on 9/21/00 for deposit correction. Original deposit was \$200,000 and should have been \$2,000,000.00.	1,800,000.00		6,037,972.40
10/15/02			Reverses Adjustment IN on 09/21/00			
10/16/02		Holmes P. Harden, Trustee	US TREASURY DEPOSIT ERROR	-1,800,000.00		4,237,972.40
10/16/02	14		Adjustment should be shown as a deposit rather than adjustment settlement sec	25,000.00		4,262,972.40
10/22/02	001012	Transfer to Acct #3753846819 International Sureties, Ltd. 210 Baronne Street, Ste 1700 New Orleans, LA 70112	This is a correction for the money that was deposited into acct. 3753846819. Bank Funds Transfer Blanket Bond Bond #016028231	25,000.00 6,475.00	25,000.00 4,231,497.40	4,237,972.40
10/31/02	11	NATIONSBANK, N.A.	Interest Rate 1.200	4,317.79		
11/29/02	11	NATIONSBANK, N.A.	Interest Rate 0.850	3,446.67		
12/31/02	11	NATIONSBANK, N.A.	Interest Rate 0.850	3,060.40		
01/31/03	11	NATIONSBANK, N.A.	Interest Rate 0.850	3,062.61		
02/28/03	11	NATIONSBANK, N.A.	Interest Rate 0.850	2,768.22		
03/31/03	11	NATIONSBANK, N.A.	Interest Rate 0.500	1,926.22		
04/30/03	11	NATIONSBANK, N.A.	Interest Rate 0.500	1,746.61		
05/30/03	11	NATIONSBANK, N.A.	Interest Rate 0.500	1,805.57		
06/30/03	11	NATIONSBANK, N.A.	Interest Rate 0.500	1,748.07		
07/31/03	11	NATIONSBANK, N.A.	Interest Rate 0.200	722.83		
08/29/03	11	NATIONSBANK, N.A.	Interest Rate 0.200	722.95		
09/22/03	001013	BELLSOUTH	Telephone Service	69.78	4,256,755.56	
			919 876-2161 0364			

Case No: 98-02675-5-ATS
 Case Name: INTERNATIONAL HERITAGE INC.

Taxpayer ID No: 87-0421191
 For Period Ending: 09/29/03

FORM 2
ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

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Trustee Name: HOLMES P. HARDEN, TRUSTEE
 Bank Name: NATIONSBANK, N.A.
 Account Number: 3723846848 Money Market - Interest Bearing

Blanket Bond (per case limit): Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Disbursements (\$)	Account Balance (\$)
			COLUMN TOTALS	54,503.74	31,544.78	4,256,755.56
			Less: Bank Transfers	0.00	25,000.00	
			Subtotal	54,503.74	6,544.78	
			Less: Payments to Debtors		0.00	
			Net	54,503.74	6,544.78	

Page Subtotals

0.00

0.00

FORM 2
ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

97,605.21

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Case No.: 98-02675-5-ATS
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 Taxpayer ID No.: 87-0421191
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Blanket Bond (per case limit): Separate Bond (if applicable): \$ 6,000,000.00

1 Transaction Date	2 Check or Reference	3 Paid To / Received From	4 Description Of Transaction	5 Deposits (\$)	6 Disbursements (\$)	7 Account Balance (\$)
09/30/02	11 11	NATIONSBANK, N.A. Bank of America	BALANCE FORWARD Interest Rate 1.200 interest Bank deposited interest on 10/25/02 for deposit error on 11/00. Bank also credited account \$19,100 for bank error in deposit.	448.88 573.44		474,209.71
10/31/02	11 11	NATIONSBANK, N.A. NATIONSBANK, N.A.	Interest Rate 1.200 Interest Rate 0.850 Interest Rate 0.850	468.82 387.07 343.70		474,658.59 475,232.03
11/29/02	11 11	NATIONSBANK, N.A.	Interest Rate 0.850	18,000.00		476,431.62
12/31/02	15	Triangle Communications Group, Inc. 3500 Bush Street, Ste. 101 Raleigh, NC 27609	PREFERENCE SETTLEMENT Interest Rate 0.850 Interest Rate 0.850 Interest Rate 0.500 Interest Rate 0.500 Interest Rate 0.500 Interest Rate 0.500 Interest Rate 0.200 PREFERENCE SETTLEMENT	344.34 322.57 224.49 203.56 210.42 203.74 84.24 2,500.00		494,775.96 495,098.53 495,323.02 495,526.58 495,737.00 495,940.74 496,024.98 498,524.98
01/27/03	11 11 11 11 11 11 11 15	NATIONSBANK, N.A. NATIONSBANK, N.A. NATIONSBANK, N.A. NATIONSBANK, N.A. NATIONSBANK, N.A. NATIONSBANK, N.A. NATIONSBANK, N.A. John David Brothers 1100 Meredith Lane #915 Plano, TX 75093	John Brothers settlement entered by consent judgment in the amount of \$5,000. 1st payment due by 8/1/03 in the amount of \$2,500, 2nd payment due by 9/1/03 in the amount of \$1,500 and final payment due by 10/1/03 in the amount of \$1,000. Interest Rate 0.200 PREFERENCE SETTLEMENT payment #2 of 3 payments for John Brothers settlement	84.51 1,500.00		498,609.49 500,109.49
08/29/03	11 15	NATIONSBANK, N.A. John D. Brothers				
09/24/03						

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25,899.78

0.00

**FORM 2
ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD**

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1	2	3	4	5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Disbursements (\$)	Account Balance (\$)

COLUMN TOTALS	
Subtotal	25,899.78
Less: Payments to Debtors	0.00
Net	25,899.78
	0.00

HOLMES P. HARDEN, TRUSTEE
NATIONSBANK, N.A.
3753847313 Money Market - Interest Bearing

Blanket Bond (per case limit):
Separate Bond (if applicable): \$ 6,000,000.00

Page Subtotals

0.00

0.00

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Case No:
Case Name:
INTERNATIONAL HERITAGE INC.
Taxpayer ID No:
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For Period Ending:
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FORM 2
ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

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Trustee Name:
HOLMES P. HARDEN, TRUSTEE
Bank Name:
NATIONSBANK, N.A.
Account Number:
3753847410 Money Market - Interest Bearing

Blanket Bond (per case limit):
Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Disbursements (\$)	Account Balance (\$)
09/30/02	11	NATIONSBANK, N.A.	BALANCE FORWARD			5,395.13
10/3/02	11	NATIONSBANK, N.A.	Interest Rate 1.200	5.33		5,400.46
11/29/02	11	NATIONSBANK, N.A.	Interest Rate 1.200	5.50		5,405.96
12/31/02	11	NATIONSBANK, N.A.	Interest Rate 0.850	4.39		5,410.35
01/31/03	11	NATIONSBANK, N.A.	Interest Rate 0.850	3.91		5,414.26
02/28/03	11	NATIONSBANK, N.A.	Interest Rate 0.850	3.91		5,418.17
03/31/03	11	NATIONSBANK, N.A.	Interest Rate 0.850	3.53		5,421.70
04/30/03	11	NATIONSBANK, N.A.	Interest Rate 0.500	2.46		5,424.16
05/30/03	11	NATIONSBANK, N.A.	Interest Rate 0.500	2.23		5,426.39
06/30/03	11	NATIONSBANK, N.A.	Interest Rate 0.500	2.30		5,428.69
07/31/03	11	NATIONSBANK, N.A.	Interest Rate 0.200	2.24		5,430.93
08/29/03	11	NATIONSBANK, N.A.	Interest Rate 0.200	0.92		5,431.85
				0.91		5,432.76
COLUMN TOTALS			37.63	0.00	5,432.76	
Less: Bank Transfers			0.00	0.00		
Subtotal			37.63	0.00		
Less: Payments to Debtors			0.00			
Net			37.63	0.00		

TOTAL - ALL ACCOUNTS	NET DEPOSITS	DISBURSEMENTS	NET ACCOUNT BALANCE
Money Market - Interest Bearing - 3753846518	-2,567.11	569.61	60,803.14
Checking - Non Interest - 3753846521	0.00	0.00	0.00
Money Market - Interest Bearing - 3753846534	144.46	0.00	20,852.09
Money Market - Interest Bearing - 3753846819	67,514.56	46,574.07	1,108,611.51
Checking - Non Interest - 3753846835	9.56	34,640.56	258.83
Money Market - Interest Bearing - 3753846848	54,503.74	6,544.78	4,256,755.56
Money Market - Interest Bearing - 3753847313	25,899.78	0.00	500,109.49
Money Market - Interest Bearing - 3753847410	37.63	0.00	5,432.76
	145,542.62	88,329.02	5,952,823.43

Page Subtotals

37.63

0.00

FORM 2
ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

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Trustee Name: HOLMES P. HARDEN, TRUSTEE
 Bank Name: NATIONSBANK, N.A.
 Account Number: 3753847410 Money Market - Interest Bearing

Blanket Bond (per case limit):
 Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Disbursements (\$)	Account Balance (\$)

Page Subtotals

0.00

0.00

65,067.23
 R- 123,542.62